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# State of Utah

DEPARTMENT OF NATURAL RESOURCES  
DIVISION OF OIL, GAS AND MINING

Norman H. Bangertter  
Governor

Dee C. Hansen  
Executive Director

Dianne R. Nielson, Ph.D.  
Division Director

355 West North Temple  
3 Triad Center, Suite 350  
Salt Lake City, Utah 84180-1203  
801-538-5340

December 12, 1989

Mr. C. F. Vaughn, President  
Nevada Electric Investment Company  
6226 West Sahara  
Las Vegas, Nevada 89102

Dear *Charlie* Mr. Vaughn:

Re: Permit Renewal, Genwal Coal Company, Wellington Preparation Plant, ACT.007/012, Folder #2, and #3, Carbon County, Utah

Genwal Coal Company (Genwal) has met the requirements of Stipulation UMC 788.13-(1) - SCL to the permit transfer for the Wellington Preparation Plant. A schedule for resubmittal of an updated Operation and Reclamation Plan (ORP) addressing all outstanding permitting issues was agreed upon by Genwal and Division representatives on December 8, 1989.

Enclosed is a new five-year permanent program mining permit for the Wellington Plant and the permit renewal findings. The schedule for ORP resubmittal is attached as permit stipulation UMC 788.14-(1) - SCL. Please notify Lowell Braxton or Susan Linner of my staff promptly if there are problems with meeting this schedule.

Two copies of the permit are enclosed. Please sign both copies and return one to the Division. Thank you for your cooperation.

Best regards,

*Dianne*  
Dianne R. Nielson  
Director

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Enclosures

cc: P. Rutledge, OSM  
R. Hagen, OSM  
G. Manwaring, Coal Systems  
S. Linner, DOGM  
H. Sandbeck, DOGM

BT45/365

# ADMINISTRATIVE OVERVIEW

GENWAL COAL COMPANY  
WELLINGTON PREPARATION PLANT  
PERMIT RENEWAL  
ACT/007/012  
CARBON COUNTY, UTAH

December 10, 1989

## Background

The Wellington Preparation Plant is located on privately owned land near Wellington, Utah. The plant crushes and loads coal from Genwal Coal Company's (Genwal's) Crandall Canyon Mine, located near Huntington, Utah, but does not wash coal at this time. The plant was completed and began operations under the ownership of U. S. Steel Corporation in 1958. Approximately 356 acres of disturbed area exists, including plant facilities, coarse refuse and fine refuse deposited in slurry ponds.

U. S. Steel Corporation was issued a permanent program mining permit for the Wellington Plant on December 10, 1984. The plant was subsequently put on temporary cessation of operations. On February 25, 1986, the permit was transferred to Kaiser Coal Corporation. The plant was never activated by Kaiser, which went into bankruptcy proceedings in February of 1987. Genwal purchased the property through the bankruptcy court in August of 1989 and the permit was transferred to them October 10, 1989, only sixty days prior to permit expiration. The site was reactivated on approximately December 1, 1989.

## Issues

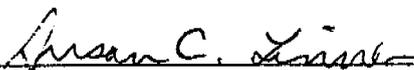
As part of the permit renewal process, the Division reviewed outstanding stipulations that had been placed on the permit under U. S. Steel or Kaiser Coal, which had not been addressed due to cessation of operations or bankruptcy. In addition, Genwal has upgraded the facilities for its loading operation. These new designs need to be incorporated into the Operation and Reclamation Plan (ORP). Since Genwal took over the permit with only sixty days remaining prior to permit expiration, it was not possible to take care of these issues prior to expiration. A stipulation was placed on the permit transfer which required the new operator to meet with the Division prior to permit expiration to discuss outstanding issues, and to agree to a schedule for submittal of an updated and recompiled plan, addressing all outstanding stipulations. The operator has met the requirements of that stipulation. The schedule agreed to is attached to the permit as Attachment A.

# PERMIT RENEWAL FINDINGS

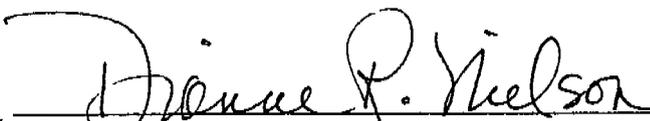
GENWAL COAL COMPANY  
WELLINGTON PREPARATION PLANT  
ACT/007/012  
CARBON COUNTY, UTAH

December 10, 1989

1. The permit renewal term will not exceed the original permit term of five years UMC 788.15).
2. The terms and conditions of the existing permit are being satisfactorily met (UMC 788.16(a)(1)).
3. The present underground coal mining activities are in compliance with the environmental protection standards of the Act and the Utah State Program, relating to preparation plants located away from a mine site (UMC 788.16(a)(2)).
4. The requested renewal will not substantially jeopardize the operator's continuing responsibility to comply with the Act and the Utah State Program (UMC 788.16(a)(3)).
5. The operator has posted a reclamation surety in the required amount and has provided evidence that the surety will remain in full effect for the additional permit period. No additional surface disturbances are proposed at this time. Upon submittal of a recompiled plan bonding requirements will be recalculated and an adjustment to the bond may be required (UMC 788.12(a)(4)).

  
\_\_\_\_\_  
Permit Supervisor

  
\_\_\_\_\_  
Associate Director, Mining

  
\_\_\_\_\_  
Director  
Division of Oil, Gas & Mining

NONFEDERAL  
(April 1987)

Permit Number ACT/007/012, December 10, 1989

STATE OF UTAH  
DEPARTMENT OF NATURAL RESOURCES  
DIVISION OF OIL, GAS AND MINING  
355 West North Temple  
3 Triad Center, Suite 350  
Salt Lake City, Utah 84180-1203  
(801) 538-5340

This permit, ACT/007/012, is issued for the state of Utah by the Utah Division of Oil, Gas and Mining (DOG M) to:

Genwal Coal Company  
P. O. Box 1201  
Huntington, Utah 84528  
(801) 687-9813

for the Wellington Preparation Plant. Genwal Coal Company is owner of certain fee-owned parcels. A surety bond with a value of \$2,591,000.00 has been filed with DOGM. DOGM must receive a copy of this permit signed and dated by the permittee.

- Sec. 1 STATUTES AND REGULATIONS - This permit is issued pursuant to the Utah Coal Mining and Reclamation Act of 1979, Utah Code Annotated (UCA) 40-10-1 et seq, hereafter referred to as the Act.
- Sec. 2 PERMIT AREA - The permittee is authorized to conduct underground coal mining activities associated with a preparation plant on the following described lands (as shown on the map appended as Attachment B) within the permit area at the Wellington Preparation Plant, situated in the state of Utah, Carbon County, and located:

Township 15 South, Range 11 East, SLBM

Section 8: SE1/4 NE1/4, SE1/4 except portion N of the railroad tracks  
Section 9: S1/2, portions of S1/2 N1/2  
Section 15: W1/2 NW1/4  
Section 16: All  
Section 17: E1/2 SE1/4, NE1/4

This legal description is for the permit area (as shown on Attachment B) of the Wellington Preparation Plant. The permittee is authorized to conduct underground coal mining activities associated with a preparation plant on the foregoing described property subject to all applicable conditions, laws and regulations.

- Sec. 3 PERMIT TERM - This permit becomes effective on December 10, 1989 and expires on December 10, 1994.
- Sec. 4 ASSIGNMENT OF PERMIT RIGHTS - The permit rights may not be transferred, assigned or sold without the approval of the Director, DOGM. Transfer, assignment or sale of permit rights must be done in accordance with applicable regulations, including but not limited to 30 CFR 740.13(e) and UMC 788.17-.19.
- Sec. 5 RIGHT OF ENTRY - The permittee shall allow the authorized representative of the DOGM, including but not limited to inspectors, and representatives of the Office of Surface Mining Reclamation and Enforcement, without advance notice or a search warrant, upon presentation of appropriate credentials, and without delay to:
- A. have the rights of entry provided for in 30 CFR 840.12, UMC 840.12, 30 CFR 842.13 and UMC 842.13; and,
  - B. be accompanied by private persons for the purpose of conducting an inspection in accordance with UMC 842.12 and 30 CFR 842, when the inspection is in response to an alleged violation reported by the private person.
- Sec. 6 SCOPE OF OPERATIONS - The permittee shall conduct underground coal mining activities only on those lands specifically designated as within the permit area on the maps submitted in the permit application and approved for the term of the permit and which are subject to the performance bond.
- Sec. 7 ENVIRONMENTAL IMPACTS - The permittee shall minimize any adverse impact to the environment or public health and safety through but not limited to:
- A. accelerated monitoring to determine the nature and extent of noncompliance and the results of the noncompliance;
  - B. immediate implementation of measures necessary to comply; and
  - C. warning, as soon as possible after learning of such noncompliance, any person whose health and safety is in imminent danger due to the noncompliance.

- Sec. 8 DISPOSAL OF POLLUTANTS - The permittee shall dispose of solids, sludge, filter backwash or pollutants in the course of treatment or control of waters or emissions to the air in the manner required by the approved Utah State Program which prevents violation of any applicable state or federal law.
- Sec. 9 CONDUCT OF OPERATIONS - The permittee shall conduct its operations:
- A. in accordance with the terms of the permit to prevent significant, imminent environmental harm to the health and safety of the public; and
  - B. utilizing methods specified as conditions of the permit by DOGM in approving alternative methods of compliance with the performance standards of the Act and the approved Utah State Program.
- Sec. 10 AUTHORIZED AGENT - The permittee shall provide the names, addresses and telephone numbers of persons responsible for operations under the permit to whom notices and orders are to be delivered.
- Sec. 11 COMPLIANCE WITH OTHER LAWS - The permittee shall comply with the provisions of the Water Pollution Control Act (33 USC 1151 et seq,) and the Clean Air Act (42 USC 7401 et seq), UCA 26-11-1 et seq, and UCA 26-13-1 et seq.
- Sec. 12 PERMIT RENEWAL - Upon expiration, this permit may be renewed for areas within the boundaries of the existing permit in accordance with the Act and the approved Utah State Program.
- Sec. 13 CULTURAL RESOURCES - If during the course of mining operations, previously unidentified cultural resources are discovered, the permittee shall ensure that the site(s) is not disturbed and shall notify DOGM. DOGM shall inform the permittee of necessary actions required. The permittee shall implement the mitigation measures required by DOGM within the time frame specified by DOGM.
- Sec. 14 APPEALS - The permittee shall have the right to appeal as provided for under UMC 787.

Sec. 15 SPECIAL CONDITIONS - In addition to the general obligations and/or requirements set out in this permit, the permittee shall comply with the condition appended hereto as Attachment A.

The above conditions (Secs. 1-15) are also imposed upon the permittee's agents and employees. The failure or refusal of any of these persons to comply with these conditions shall be deemed a failure of the permittee to comply with the terms of this permit and the leases. The permittee shall require his agents, contractors and subcontractors involved in activities concerning this permit to include these conditions in the contracts between and among them. These conditions may be revised or amended, in writing, by the mutual consent of DOGM and the permittee at any time to adjust to changed conditions or to correct an oversight. DOGM may amend these conditions at any time without the consent of the permittee in order to make them consistent with any new federal or state statutes and any new regulations.

THE STATE OF UTAH

By: Dianne R. Nelson  
Date: 12/10/89

I certify that I have read and understand the requirements of this permit and any special conditions attached.

\_\_\_\_\_  
Authorized Representative of  
the Permittee

Date: \_\_\_\_\_

APPROVED AS TO FORM:

By: Gautreaux W. Robert  
Assistant Attorney General  
Date: Dec 12, 1989

ATTACHMENT A

STIPULATION

Genwal Coal Company  
Wellington Preparation Plant  
Permit Renewal  
ACT/007/012  
Carbon County, Utah

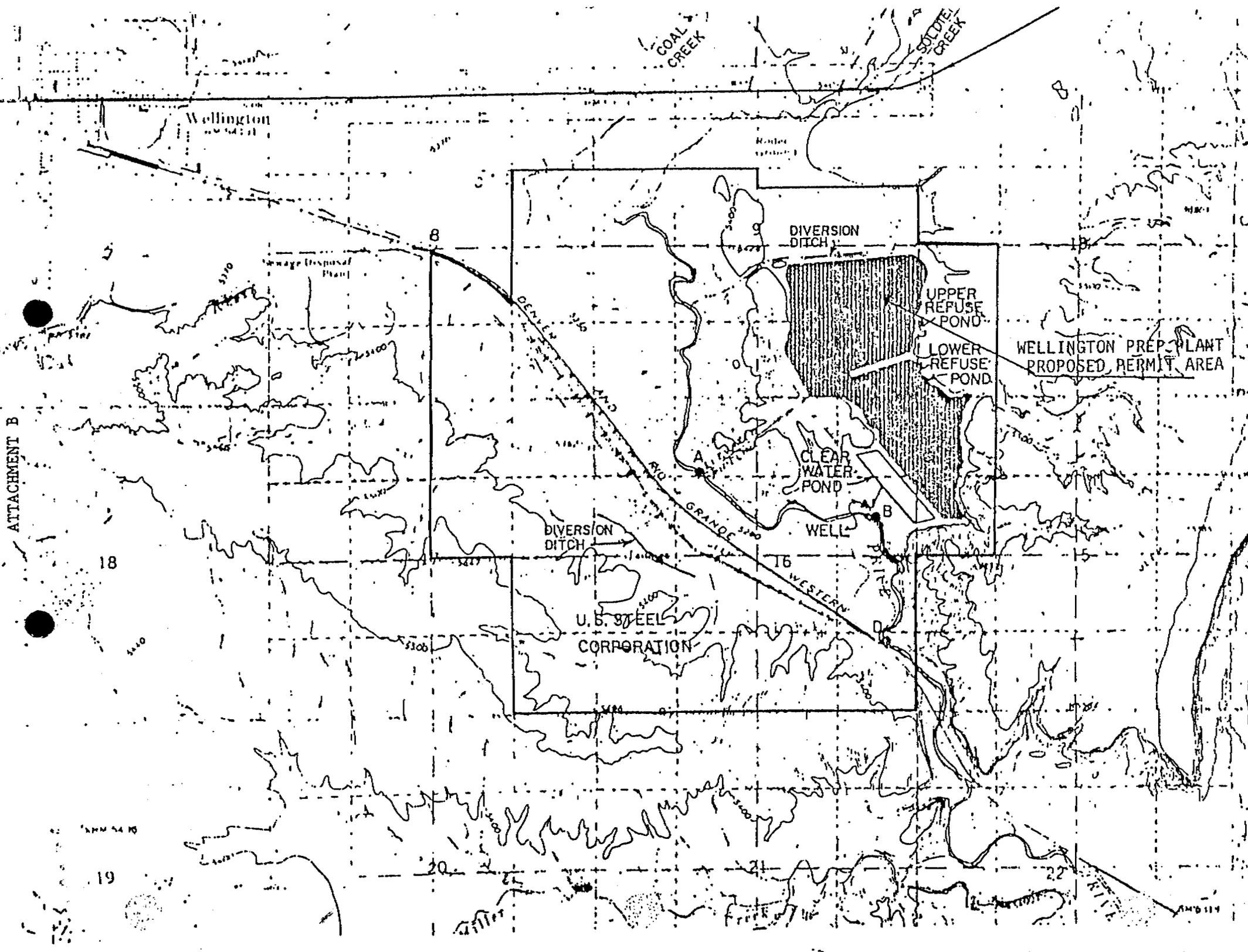
December 10, 1989

Stipulation UMC 788.14-(1) - SCL

1. Genwal Coal Company (GCC) will submit information necessary to update the approved Operation and Reclamation Plan (ORP) and to address outstanding stipulation UMC 817.103 -(1)- TLP to the original permit approval and stipulations UMC 788.14 -(1)- SCL, UMC 817.52 -(1)- RPS, and UMC 817.81, .85 and .89 - JRH to the Mid-Permit Term Review, in accordance with the following schedule:

March 1, 1990	Submittal of new test plot designs.
June 1, 1990	Submittal of an ORP outline and reformatted baseline information, including a baseline hydrology report.
October 1, 1990	Submittal of updated maps and operation design details.
January 1, 1991	Submittal of updated reclamation designs and maps, including bond calculations.
June 1, 1991	Complete updated plan will be approved and in place.

ATTACHMENT B



Wellington

COAL CREEK

SOLDIER CREEK

Sewage Disposal Plant

DIVERSION DITCH

UPPER REFUSE POND

LOWER REFUSE POND

WELLINGTON PRE-PLANT PROPOSED PERMIT AREA

CLEAR WATER POND

WELL

DIVERSION DITCH

U.S. STEEL CORPORATION

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